MEDI-CAL UPDATE Part 2
Billing and Policy
www.medi-cal.ca.gov

Allied Health • Durable Medical Equipment and Medical Supplies

July 2006 • Bulletin 369

Contents

2006 CPT-4/HCPCS Updates: Implementation November 1, 2006

The 2006 updates to the *Current Procedural Terminology – 4th Edition* (CPT-4) and Healthcare Common Procedure Coding System (HCPCS) National Level II codes will be effective for Medi-Cal for dates of service on or after November 1, 2006. The affected codes are listed below. Only those codes representing current or future Medi-Cal benefits are included. Please refer to the 2006 CPT-4 and HCPCS Level II code books for complete descriptions of these codes. Specific policy, billing information and manual replacement pages reflecting these changes will be released in a future *Medi-Cal Update.*

HCPCS Level II Code Additions

Durable Medical Equipment and Supplies
A4604, A9281, E0170, E0171, E0641, E0642, E0705, E0911, E0912, E1392, E2207 – E2215, E2218 – E2226, E2371, E2372, K0734 – K0737

Orthotic Procedures and Devices
L0491, L0492, L0621 – L0640, L0859, L2034, L2387, L3671 – L3673, L3702, L3763 – L3766, L3905, L3913, L3919, L3921, L3933, L3935, L3961, L3967, L3971, L3973, L3975 – L3978

Prosthetic Procedures and Appliances
A6513, A6542, A6544, L5703, L5858, L5971, L6621, L6677, L6883 – L6885, L7400 – L7405

HCPCS Level II Codes with Description Changes

Durable Medical Equipment and Supplies
A4632, A6550, A7032, A7033, A8033, E0240, E0463, E0464, E0637, E0638, E0935, E0971, E1038, E1039, K0669

Orthotic Procedures and Devices
L1832, L1843 – L1846, L2036 – L2038, L2405, L3215 – L3217, L3219, L3221, L3222, L3230, L3906, L3923, L8010

HCPCS Level II Code Deletions

Durable Medical Equipment
A6551, E0972, E1019, E1021, E1025 – E1027, K0064, K0066 – K0068, K0074 – K0076, K0078, K0102, K0104, K0106, K0452

Orthotic Procedures and Devices
K0619, K0630 – K0649, L0860, L1750, L2039, L3963

Prosthetic Procedures and Appliances
L8210, L8230

Durable Medical Equipment Documentation Reminder

Claims for Durable Medical Equipment (DME) repair require the following documentation:

- For dates of service prior to January 1, 2006: The statement "patient-owned" entered in the *Reserved For Local Use* field (Box 19) of the claim or included on an attachment.
- For dates of service on or after January 1, 2006: The claim must contain the statement "patient-owned equipment", and include the specific procedure code and/or description of the equipment being repaired or serviced. Documentation can be entered in the *Reserved For Local Use* field (Box 19) of the claim or included on an attachment.

Note: This documentation is also required if billing with a miscellaneous code (for example, HCPCS code E1399 or A9900).

Claims without this documentation will show as denied on the *Remittance Advice Details* (RAD) with RAD code **9598: A statement that says "the equipment is patient-owned", and includes the specific procedure code and/or description of the equipment being repaired/serviced, is missing from the *Reserved For Local Use* field (Box 19) of the claim or attachment.**

Rate Adjustments for Selected DME and Prosthetic Codes

Wheelchair cushion codes E2601 and elbow socket prosthesis codes L6694 – L6698 became Medi-Cal benefits for dates of service on or after November 1, 2005. Medicare's 2006 3rd Quarter Fee Schedule Update has adjusted reimbursements retroactively for these codes. In accordance with *Welfare and Institutions Code*, the Medi-Cal rates are adjusted accordingly.

The wheelchair cushion code reimbursement rates are effective retroactively for dates of service on or after January 1, 2006, and the elbow socket prosthetic code rates are retroactive to November 1, 2005, the date the codes became Medi-Cal benefits. Previously paid claims will not be reprocessed at this time.

The adjusted rates are as follows:

HCPCS Code	Adjusted Rental Rate	Adjusted Purchase Rate
E2601	$6.13	$61.16
E2602	$11.94	$119.40
E2603	$15.17	$151.59
E2604	$18.83	$188.41
E2605	$26.93	$269.17
E2606	$42.01	$419.93
E2607	$28.99	$289.95
E2608	$34.80	$348.09
L6694	NA	$502.73
L6695	NA	$418.94
L6696	NA	$828.47
L6697	NA	$828.47
L6698	NA	$425.50

This updated information is reflected on manual replacement pages dura cd 12 (Part 2) and ortho cd2 15 (Part 2).

Diabetic Medical Supplies Addition for Bayer Healthcare LLC-Diagnostic Division

Effective for dates of service on or after July 1, 2006, the following diabetic medical supplies have been added to the *Medical Supplies List* section:

Description	Billing Code	Bill Quantity In Total Number of
Keto-Diastik Reagent Strips (Urine/50)	00193288250	Strip
Keto-Diastik Reagent Strips (Urine/100)	00193288221	Strip
Ketostix Reagent Strips (Urine/100)	00193288021	Strip

These products are reimbursable to Pharmacy providers only and must be billed using the Point of Service (POS) network, Computer Media Claims (CMC) or paper.

Test strips are limited to no more than 200 strips per dispensing/claim with a duration of therapy limit of four dispensings in 90 days, per recipient, without prior authorization.

When billing for California Children's Services/Genetically Handicapped Persons Program, the Universal Product Number (UPN) must match the exact UPN granted under authorization.

This update is reflected on manual replacement page mc sup lst1 15 (Part2).

Medical Supplies Utilization Control Period Change

Effective for dates of service on or after August 1, 2006, the California Department of Health Services (CDHS) has changed the utilization period for numerous Medi-Cal supplies with quantity limitations, per recipient, without prior authorization. CDHS is now allowing providers to dispense supplies to beneficiaries that have reached the quantity limit and bill the Medi-Cal program after waiting 27 days instead of 30 days for services provided.

This update is reflected on the following Part 2 manual replacement pages: mc sup lst1 1, 23 and 24; mc sup lst2 2, 3 and 4; mc sup lst3 1, 2, 11 thru 13 and 16 thru 18; mc sup lst4 1 thru 4, 6 thru 12 and 14 thru 22.

Quantity Limit for Enteral Nutrition Supplies Update

Effective for dates of service on or after August 1, 2006, providers should take note that Gastrostomy/Jejunostomy/Nasogastric/Stomach Tubing supplies (billing codes 9930E, 9930F, 9930H, 9930J and 9930M) are limited to a cumulative total of no more than six in a 365-day period, per recipient, without prior authorization. Previously, this limit had been incorrectly listed in the provider manual as no more than six in a 30-day period.

Due to this error, the California Department of Health Services (CDHS) will reprocess and pay claims that were denied for exceeding the limit of no more than six in a 365-day period for dates of service from August 1, 2003 through July 31, 2006, for claims that are otherwise payable.

This update is reflected on manual replacement page mc sup lst1 23 (Part 2).

Enteral Formula Language Change

Providers should be aware that the phrase "National Drug Code (NDC)" has been replaced with "Product Identification Number" in the *Enteral Formula: List of Contracted Products* section of the Part 2 manual. This change also occurs within the tables located in the same section. Policy regarding enteral formula has not changed.

Providers are reminded that effective for dates of service on or after March 1, 2006, enteral formula with the product identification numbers in the enteral formula section are reimbursable, subject to prior authorization, if used as a therapeutic regimen to prevent serious disability or death in patients with medically diagnosed conditions that preclude the full use of regular food. Enteral formula for similar diagnoses and intended uses that are not on the following list are not contracted, and therefore not a benefit beginning March 1, 2006.

This update is reflected on manual replacement pages enteral 1 and 2 (Part 2).

Effective Date Update for Waterproof Sheeting Pricing

Effective for dates of service on or after September 1, 2006, the new contract pricing reimbursement for waterproof sheeting takes effect. However, the Medi-Cal Maximum Acquisition Cost at which providers shall be able to purchase these items was effective on June 1, 2006. This delayed date is so providers who purchased quantities of product prior to June 1, 2006 have enough time to deplete their stock before dispensing product purchased at the new contracted prices.

For dates of service June 1, 2006 through August 31, 2006, providers must continue to submit an invoice or catalog page with their claims when billing with code 9947A TI to allow claims to suspend for review and pricing. When billing for codes 9947A VS or 9947A TI for dates of service during this three-month period, providers are reimbursed according to the pricing in effect prior to June 1, 2006 or on the basis of a catalog page or invoice.

Providers who have received reimbursement for claims coded with 9947A based on the contracted price of $13.80, with a date of service on or after June 1, 2006, must submit a *Claims Inquiry Form* for the underpayment.

This update is reflected on manual replacement page mc sup lst3 14 (Part 2).

CCS Service Code Groupings (SCG) Update

Retroactive for dates of service on or after July 1, 2004, a number of codes are added to the California Children's Services (CCS) Service Code Groupings (SCGs) 01, 02, 03 and 07.

In addition, code 99359 is end-dated for dates of service on or after July 1, 2006.

Reminder: SCG 02 includes all the codes in SCG 01; SCG 03 includes all the codes in SCG 01 and SCG 02; and SCG 07 includes all the codes in SCG 01. These same "rules" apply to end-dated codes.

The updated information is reflected on manual replacement pages cal child ser 5, 12 and 15 (Part 2).

Instructions for Manual Replacement Pages — Part 2

July 2006

Durable Medical Equipment and Medical Supplies Bulletin 369

Remove and replace:	cal child ser 5/6, 11/12, 15/16 dura cd 11/12 enteral 1/2 mc sup lst1 1/2, 15/16, 23/24 mc sup lst2 1 thru 4
Remove:	mc sup lst3 1/2, 11 thru 17
Replace:	mc sup lst3 1/2, 11 thru 18
Remove and replace:	mc sup lst4 1 thru 22 medi non hcp 1/2 * ortho cd2 15/16

* Pages updated due to ongoing provider manual revisions.